

S Finance Committee Amendment No. 3

Amendment No. 8 to SB0611

**McNally
Signature of Sponsor**

FILED

Date _____

Time _____

Clerk _____

Comm. Amdt. _____

AMEND Senate Bill No. 611*

House Bill No. 653

by deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 49-4-930, is amended by adding the following language as a new, appropriately designated subsection thereto:

()

(1) There is created a pilot project to assist students, who are juniors and seniors in high school and who are eligible for dual enrollment grants under this section, in enrolling in dual enrollment courses that require a computer to facilitate the offering of such course or as necessary equipment for such course. THEC shall develop and administer the pilot project in consultation with the department of education.

(2) The pilot program shall commence no later than August 1, 2008, shall be for a period of twelve (12) months, and shall provide laptop computers for students in two (2) schools in each grand division of the state.

(3) The cost of the laptops to be purchased for the pilot program shall not exceed five hundred dollars (\$500) each.

(4) THEC shall develop and issue a request for proposal for the computers for the project that includes specifications for wireless technology in order that students in any school chosen for the pilot project, including rural schools, have the ability to access fully the dual enrollment courses as required by the course or the course content. The request for proposal shall also address insurance of the computers against theft, loss or destruction.

(5) The pilot project, including the administrative costs of THEC or the department of education, shall be funded from net lottery proceeds.

(6) The pilot project shall distribute computers in the 2008-2009 school year.

(7) THEC, in consultation with the department of education, shall evaluate the pilot project and shall issue a preliminary report to the education committees of the senate and the house of representatives by February 15, 2009, and thereafter shall issue a full report detailing its findings and conclusions to the education committees of the senate and the house of representatives by September 1, 2009.

SECTION 2. Tennessee Code Annotated, Section 49-4-902(20), is amended by deleting the language "For two (2) years immediately preceding completion of high school as a home school student, such" and substituting instead the word "The".

SECTION 3. A student may apply for the retroactive award of a Tennessee HOPE scholarship for any semester of the 2007-2008 academic year in which the student would have qualified for a scholarship under the provisions of § 49-4-902(20) as amended by Section 2 of this act, had the provisions of this act been in effect during such academic year. TSAC shall award the scholarship retroactively for such academic year to any student who would have qualified for the scholarship had the provisions of this act been in effect.

SECTION 4. Tennessee Code Annotated, Section 49-4-902(22), is amended by deleting the subdivision in its entirety and substituting instead the following:

(22) "Nontraditional student" means a student who is at least twenty-five (25) years of age and who enrolls in an eligible postsecondary institution:

(A) As an entering freshman; or

(B) At least two (2) years after last attending any postsecondary institution;

SECTION 5. Tennessee Code Annotated, Section 49-4-902, is amended by adding the following language as new, appropriately designated subdivisions:

() "Academic requirement" means a requirement of a specified grade point average, ACT or SAT score or cumulative grade point average that determines either initial or continuing eligibility for postsecondary financial assistance from net lottery proceeds;

() "Community college" means an eligible two-year postsecondary institution operated by the Tennessee board of regents that is denoted as a community college or a technical community college.

() "Cost of attendance" means the combined cost of tuition, mandatory fees, room and board, books and other educational expenses as determined by the financial aid office of the eligible postsecondary institution;

() "General Assembly civic education scholarship" means the scholarship funded from net lottery proceeds and awarded under § 49-4-939 to meet the goals of the general assembly to promote and encourage civic learning and participation in community and government by high school students;

() "Gift aid" means scholarships and grants from any source that do not require repayment, including funds provided through the federal Foster Care Independence Act of 1999 and other similar programs. Student loans and work-study awards shall not be considered gift aid;

() "Nonacademic requirement" means any scholarship eligibility requirement other than an academic requirement;

SECTION 6. Tennessee Code Annotated, Section 49-4-903(b), is amended by designating the existing language as subdivision (1) and by adding the following language as new subdivisions (2) and (3):

(2) THEC shall include in its annual report under this subsection the number of teachers applying for and receiving the Tennessee HOPE teacher's scholarship under § 49-4-936, the number of such teachers teaching mathematics or a science in Tennessee public schools as a result of receiving the scholarship, the number of teachers who fail to complete the terms of the

scholarship and the reasons therefor and such other information on the Tennessee HOPE teacher's scholarship as THEC deems relevant to assist the general assembly in evaluating the effectiveness of the program.

(3) For the annual report due by January 13, 2009, THEC shall make a detailed evaluation of the Wilder-Naifeh technical skills grant, including the value of the grant to the state in retraining workers who have lost their jobs to qualify for new, higher paying jobs. THEC shall also evaluate the capacity of the Tennessee Technology Centers and projected net lottery proceeds and make recommendations whether expansion of the grant to enable more Tennessee citizens to attend Tennessee Technology Centers is feasible.

SECTION 7. Tennessee Code Annotated, Section 49-4-911, is amended by deleting the section in its entirety and substituting instead the following:

(a) To continue to receive a Tennessee HOPE scholarship, a student at an eligible postsecondary institution shall continue to meet all applicable nonacademic requirements for the scholarship and shall reapply for the scholarship upon attempting twenty-four (24), forty-eight (48), seventy-two (72), ninety-six (96) or any subsequent multiple of twenty-four (24) semester hours. At the end of the semester in which the student has attempted a total of twenty-four (24) or forty-eight (48) semester hours, the student shall achieve a cumulative grade point average of at least 2.75 to continue to receive the Tennessee HOPE scholarship. When academic eligibility is subsequently reviewed at a time of reapplication, a student meeting all nonacademic requirements for the Tennessee HOPE scholarship shall continue to receive the HOPE scholarship, if the student achieves a cumulative grade point average of at least 3.0.

(b) A student receiving a Tennessee HOPE scholarship, who ceases to be academically eligible for the scholarship because the student fails to achieve the cumulative grade point average required at the end of a semester at which continuing eligibility is reviewed under subsection (a) may regain the HOPE

scholarship, if the student continues to meet all applicable nonacademic requirements for the scholarship, attends an eligible postsecondary institution without the HOPE scholarship, achieves the cumulative grade point average required for continuation of a scholarship at the end of a subsequent semester at which eligibility is reviewed and reapplies for the scholarship. A student, who regains the scholarship and then loses the scholarship a second time by failing to achieve the required cumulative grade point average at the end of a subsequent semester in which academic qualifications are reviewed, may not regain the scholarship. No retroactive award of a Tennessee HOPE scholarship shall be made under this subsection (b) for semester hours attempted in order to regain the scholarship.

(c) If a student ceases to be eligible for a Tennessee HOPE scholarship at any time for any nonacademic reason, then the student shall not be able to regain the Tennessee HOPE scholarship.

(d) Notwithstanding the provisions of subsection (a) and § 49-4-902 to the contrary, a student may choose to repeat one (1) course one (1) time, and have such student's cumulative grade point average, for the purposes of determining whether the student meets the continuation requirements of subsection (a), calculated as if the only attempt at the course was the attempt in which the highest grade was achieved. Only one (1) course may be repeated for favorable treatment in calculating the grade point average under this subsection (d). TSAC shall promulgate rules and regulations to effectuate the purposes of this subsection (d). All such rules and regulations shall be promulgated in accordance with the provisions of the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

SECTION 8. Tennessee Code Annotated, Section 49-4-920, is amended by deleting the first sentence of subdivision (e)(2) and substituting instead the following:

If a student receiving a Tennessee HOPE access grant does not achieve a cumulative grade point average of at least 2.75 at the end of the semester in which the student has attempted twenty-four (24) semester hours, but the student, without financial assistance from lottery proceeds, continues to attend an eligible postsecondary institution and achieves the cumulative grade point average required for continuation of a scholarship at the end of a subsequent semester at which continuing eligibility for a scholarship is reviewed under § 49-4-911, then the student shall be eligible for a Tennessee HOPE scholarship, if the student meets all other applicable nonacademic requirements.

SECTION 9. Tennessee Code Annotated, Section 49-4-929, is amended by deleting subsection (c) in its entirety and substituting instead the following:

(c) If the student transfers to an eligible postsecondary institution before attempting seventy-two (72) semester hours, then the student shall have a cumulative grade point average of at least 2.75 at the time of the transfer to be eligible academically for the scholarship. If the student transfers to an eligible postsecondary institution after attempting seventy-two (72) semester hours or more, then the student shall have a cumulative grade point average of at least 3.0 at the time of transfer to be eligible academically for the scholarship.

SECTION 10. Tennessee Code Annotated, Section 49-4-913, is amended by deleting the section in its entirety and by substituting instead the following:

§ 49-4-913. Except as set forth in §§ 49-4-919, 49-4-930, 49-4-931 and 49-4-937, a student may receive a Tennessee HOPE scholarship until the first of the following events:

- (1) The student has earned a baccalaureate degree; or
- (2) Five (5) years have passed from the date of the student's initial enrollment at any postsecondary institution.

SECTION 11. Tennessee Code Annotated, Section 49-4-919(a), is amended by deleting subdivision (2) in its entirety.

SECTION 12. Tennessee Code Annotated, Section 49-4-920(f), is amended by deleting subdivision (2) in its entirety

SECTION 13. Tennessee Code Annotated, Section 49-4-937(c), is amended by deleting the subsection in its entirety and by substituting instead the following:

(c) Enrollment at a Tennessee technology center by a student working towards a diploma before receiving a Tennessee HOPE scholarship, General Assembly Merit Scholarship, or Tennessee HOPE access grant under the provisions of this section shall not count under the provisions of § 49-4-913 or § 49-4-920 towards the limitation on receipt on a Tennessee HOPE scholarship, General Assembly Merit Scholarship, or Tennessee HOPE access grant.

SECTION 14.

(a) A student who lost the Tennessee HOPE scholarship solely because the student had attempted the maximum number of semester hours permitted under the provisions of § 49-4-913, as it existed prior to the effective date of this act, shall be eligible to have the Tennessee HOPE scholarship restored, if the student:

(1) Except for an approved medical or personal leave, has been continuously enrolled at an eligible postsecondary institution, since loss of the scholarship;

(2) Has not received a baccalaureate degree;

(3) First enrolled in a postsecondary institution less than five (5) years prior to reapplication for the scholarship and five (5) years will not have elapsed since first enrollment by the student in a postsecondary institution at the beginning of the 2008-2009 academic year;

(4) Meets all academic and nonacademic requirements for the scholarship;

(5) Enrolls in an eligible postsecondary institution for the 2008-2009 academic year;

(6) At the beginning of the 2008-2009 academic year has the cumulative grade point average required under § 49-4-911 as amended by Section 7 of this act; and

(7) Reapplies for the scholarship.

(b) Any student who lost the Tennessee HOPE scholarship for at least one (1) semester of the 2007-2008 academic year solely because the student had attempted more than the number of semester hours permitted under § 49-4-913, as it existed prior to the effective date of this act, but who otherwise met all requirements for the scholarship in effect during the 2007-2008 academic year, may apply to TSAC for the retroactive award of the scholarship for one (1) semester of the 2007-2008 academic year in which the student was enrolled. If the student meets the requirements of this subsection, then TSAC shall retroactively award the scholarship for one (1) semester of the 2007-2008 academic year.

(c) No retroactive award of a scholarship shall be made under this section except that provided for in subsection (b).

SECTION 15. Tennessee Code Annotated, Section 49-4-914, is amended by adding the following language as a new, appropriately designated subsection:

() Notwithstanding the provisions of subsection (b) to the contrary, beginning with the 2008-2009 academic year and for academic years thereafter, the amount of a Tennessee HOPE scholarship awarded to a student attending an eligible two-year postsecondary institution which provides on-campus housing shall be the same as the amount of a Tennessee HOPE scholarship awarded to students attending eligible four-year postsecondary institutions.

SECTION 16. Tennessee Code Annotated, Section 49-4-926, is amended by deleting the section in its entirety and substituting instead the following:

(a) Notwithstanding any provision of this part to the contrary, a student who is a Tennessee citizen and a dependent child of a military parent, shall be

eligible for a Tennessee HOPE scholarship as an entering freshman at any eligible postsecondary institution, if such student:

(1) Is not ineligible for the scholarship under § 49-4-904;

(2) Meets the requirements of:

(A) § 49-4-907(3), if the student graduated from:

(i) A school operated by the government of the United States;

(ii) A school that is accredited by a regional accrediting association; or

(iii) A school that is accredited by an accrediting association recognized by the foreign nation in which the school is located;

(B) § 49-4-908(2)(A), if the student graduated from a high school other than a school specified in subdivision (2)(A) or the student completed high school in a home school; or

(C) § 49-4-908(2)(B), if the student received a GED;

(3) Is admitted to and enrolls in an eligible postsecondary institution no later than sixteen (16) months after completion of high school or receipt of a GED;

(4) Qualifies to be classified as an in-state student under the rules of the Tennessee board of regents or the University of Tennessee system at time of enrollment in the eligible postsecondary institution; and

(5) Makes application for the scholarship.

(b) As used in this section:

(1) "Dependent child" means a natural or adopted child or stepchild whom a military parent claims as a dependent for federal income tax purposes; provided, however, that such child is under twenty-one (21) years of age, and resides in another state or nation only while

the military parent is engaged in active military service, on full-time national guard duty, or actively employed by the department of defense;

(2) "Military parent" means a parent of a dependent child who is:

(A) A member of the armed forces engaged in active military service of the United States and stationed on active duty outside of Tennessee;

(B) A member of the Tennessee national guard engaged in active military service of the United States and stationed on active duty outside of Tennessee; or

(C) A full-time civilian employee of the department of defense working outside of Tennessee; and

(3) "Tennessee national guard" means any federally recognized unit of the Tennessee army and air national guard.

SECTION 17. A student may apply for the retroactive award of a Tennessee HOPE scholarship for any semester of the 2004-2005, 2005-2006, 2006-2007, or 2007-2008 academic years in which the student would have qualified for a scholarship had the provisions of Section 16 of this act been in effect during such academic year. TSAC shall award the scholarship retroactively, if the student meets all applicable requirements for the scholarship.

SECTION 18. Tennessee Code Annotated, Section 49-4-933, is amended by deleting subsection (f) in its entirety and substituting instead the following:

(f) The Tennessee HOPE foster child tuition grant shall be the cost of attendance less any gift aid, with the total HOPE foster child tuition grant amount not to exceed the cost of tuition and mandatory fees at the eligible postsecondary institution attended. Additionally, at an eligible independent postsecondary institution, the Tennessee HOPE foster child tuition grant shall not exceed the statewide average public tuition and mandatory fee rate for the type of institution (two-year or four-year) attended.

SECTION 19. Tennessee Code Annotated, Section 49-4-933, is further amended by deleting subsection (c) in its entirety and by substituting instead the following:

(c) The student shall present TSAC with official certification from the department of children's services that the student meets the eligibility requirements of subsection (b) for the tuition grant.

SECTION 20. Tennessee Code Annotated, Section 49-4-933, is further amended by deleting subsection (e) in its entirety.

SECTION 21. The provisions of Sections 18 through 20 are declared to be remedial in nature and to that end shall apply to all Tennessee HOPE foster child tuition grant awards made on or after July 1, 2006. TSAC shall award or adjust any award of such grant made on or after July 1, 2006 and prior to the effective date of this act accordingly.

SECTION 22. Tennessee Code Annotated, Section 49-4-933, is further amended by adding the following language as new subsection (h):

(h) Prior to February 1, 2009, TSAC, in consultation with THEC, shall prepare a report assessing the status of the Tennessee HOPE foster child tuition grant program. Such report shall include the number of students receiving the grant, the overall benefit of the grant to Tennessee foster children and recommendations for the program. The report shall be distributed to the governor, speaker of the senate, speaker of the house of representatives and each member of the general assembly.

SECTION 23. Tennessee Code Annotated, Section 49-4-931, is amended by deleting the section in its entirety and substituting instead the following:

(a)

(1) To be eligible for a Tennessee HOPE scholarship, a nontraditional student shall:

(A) Not be ineligible for the scholarship under § 49-4-904;

(B) Meet the requirements of § 49-4-905(a). The provisions of § 49-4-905(b) shall not apply to nontraditional students seeking Tennessee HOPE scholarships;

(C) Meet the requirements of § 49-4-915(a)(2);

(D) Attend an eligible postsecondary institution and attempt at least twelve (12) semester hours;

(E) Maintain satisfactory progress in a course of study, in accordance with the standards and practices used for federal Title IV programs at the postsecondary institution attended;

(F) Subject to the provisions of § 49-4-919, maintain continuous enrollment at the eligible postsecondary institution attended as a nontraditional student; and

(G) Apply for a Tennessee HOPE scholarship.

(2) A nontraditional student shall be eligible for the award of a Tennessee HOPE scholarship at the end of the semester in which the student has attempted a total of twelve (12) semester hours, if the student has a cumulative grade point average of at least 2.75. A nontraditional student who does not achieve a cumulative grade point average of at least 2.75 at the end of the semester in which the student has attempted a total of twelve (12) semester hours shall be eligible for a Tennessee HOPE scholarship, if the student achieves the cumulative grade point average required for continuation of a scholarship at end of a subsequent semester at which eligibility is reviewed under § 49-4-911.

(3) To continue to receive a Tennessee HOPE scholarship, such student shall meet the requirements of § 49-4-911.

(4) A student may receive a Tennessee HOPE scholarship for nontraditional students under this section until the first of the following events:

(A) The student has earned a baccalaureate degree; or

(B) If the student previously received a Tennessee HOPE scholarship, the sum of the number of years during which the nontraditional student has received a Tennessee HOPE scholarship for nontraditional students and a Tennessee HOPE scholarship equals five (5) years; or

(C) Five (5) years have passed since the student enrolled in an eligible postsecondary institution as a nontraditional student; except that enrollment as a nontraditional student pursuant to subsection (b) shall not be counted for purposes of computing the time limit under this subdivision (C).

(5) A nontraditional student shall not be eligible for an ASPIRE award for need under § 49-4-915, or a General Assembly Merit Scholar supplemental award under § 49-4-916.

(6) No retroactive award of a Tennessee HOPE scholarship shall be made under this section.

(b)

(1) To be eligible for a Wilder-Naifeh technical skills grant for study at a community college, a nontraditional student shall:

(A) Not be ineligible for the scholarship under § 49-4-904;

(B) Meet the requirements of § 49-4-905(a);

(C) Meet the requirements of § 49-4-915(a)(2);

(D) Have not, at any time, been the recipient of a Tennessee HOPE scholarship;

(E) Be admitted to a community college in a program of study leading to a certificate or diploma; and

(F) Apply for a Wilder-Naifeh technical skills grant.

(2) Subject to the provisions of § 49-4-919, a student awarded a Wilder-Naifeh technical skills grant under this subsection shall maintain continuous enrollment at the community college attended.

(3) No minimum number of hours of enrollment is required for eligibility for a Wilder-Naifeh technical skills grant under this subsection, but a student receiving a grant shall maintain satisfactory academic progress in accordance with the standards and practices used for federal Title IV programs by the community college at which the student is enrolled to continue the grant. If a student fails to maintain satisfactory academic progress, then the student shall lose the Wilder-Naifeh technical skills grant and shall not be able to regain the grant.

(4) Until receipt of the certificate or diploma, a student shall reapply each academic year for the Wilder-Naifeh technical skills grant.

(5) Notwithstanding the provisions of § 49-4-902 to the contrary, a student who has received a Wilder-Naifeh technical skills grant under this subsection and has been awarded a certificate or diploma may apply for a Tennessee HOPE scholarship for nontraditional students within two (2) years of receipt of the certificate or diploma; provided, that the student meets all other requirements for the HOPE scholarship for nontraditional students at the time of application. All semester hours attempted as a student with a Wilder-Naifeh technical skills grant that may be used for credit towards an associate or baccalaureate degree shall be used in determining academic eligibility for a Tennessee HOPE scholarship under subsection (a). If a student received a certificate or diploma at a community college, but did not attempt twelve (12) semester hours for credit towards an associate or baccalaureate degree with a Wilder-Naifeh technical skills grant or such student did not achieve the required cumulative grade point average under subsection (a) or § 49-4-911 for

the number of such semester hours attempted to be eligible for a Tennessee HOPE scholarship, then the student shall attempt any semester hours necessary to establish the student's eligibility for a Tennessee HOPE scholarship without funding from lottery proceeds.

(6) No student shall be eligible for more than one (1) Wilder-Naifeh technical skills grant under this subsection.

SECTION 24. Tennessee Code Annotated, Section 49-4-934(a), is amended by deleting subdivision (1) in its entirety and substituting instead the following:

(1) Graduate from a high school in the foreign nation where the student's parent is a religious worker and, if the high school is:

(A) Accredited by a regional accrediting association, meet the academic eligibility requirements of § 49-4-907(3); or

(B) Not accredited by a regional accrediting association, meet the academic eligibility requirements of § 49-4-908(2)(A); or

SECTION 25. Tennessee Code Annotated, Title 49, Chapter 4, Part 9, is amended by adding the following language as a new section to be designated as follows:

§ 49-4-939.

(a) To be eligible for a General Assembly civic education scholarship a student shall:

(1) Not be ineligible for a scholarship under § 49-4-904;

(2) Meet all nonacademic requirements for a Tennessee HOPE scholarship as an entering freshman;

(3) Be selected under the process developed and adopted by the department of education for the award of the scholarship; and

(4) Be admitted to and enroll in an eligible postsecondary institution.

(b) The department of education shall develop and implement the General Assembly civic education scholarship program to promote and encourage civic learning and good citizenship throughout the state. The scholarship program each year shall recognize one (1) high school student in each senatorial district and one (1) high school student in each district of the house of representatives for an exemplary civics essay or a project that demonstrates exemplary community or governmental participation. The department, in consultation with the commission on civic education in Tennessee, shall set requirements, in addition to those in subsection (a), for students competing for such scholarships as the department determines to be reasonable. The department shall provide opportunities for the members of the senate and the house of representatives to participate in the publication of the scholarship program, encouragement of high school students to participate in civic learning and to develop and execute civic projects meeting the requirements of scholarship program, determination of the recipients of the scholarships and in awards ceremonies for the scholarships. The department may enlist the help of secondary and postsecondary teachers, governmental officials, members of organizations encouraging civic learning, members of community organizations and other interested citizens in the development and execution of the scholarship program. The department shall annually notify each LEA of the program and its requirements for the receipt of a scholarship. Upon such notification, an LEA shall provide such notice to every high school and to all teachers of civic education in the system and shall request that the local news media publicize the program. The Tennessee student assistance corporation shall provide information about the scholarship program to students on its web site and during College Goal Sunday.

(c) Subject to the amounts appropriated by the general assembly and any provision of law relating to a shortfall in funds available for postsecondary

financial assistance from the net proceeds of the state lottery, a General Assembly civic education scholarship shall be one thousand dollars (\$1,000) for full-time attendance for the 2009-2010 academic year. For academic years subsequent to the 2009-2010 academic year, the amount of such scholarship shall be determined in accordance with § 4-51-111 and shall be set in the general appropriations act.

(d) To continue to receive a General Assembly civic education scholarship, a student shall continue to meet all applicable nonacademic requirements for the Tennessee HOPE scholarship and shall maintain satisfactory progress in a course of study, in accordance with the standards and practices used for federal Title IV programs by the eligible postsecondary institution in which the student is enrolled.

(e) Receipt of a General Assembly civic education scholarship shall be subject to the limitations of § 49-4-913. Section 49-4-919 shall apply to students receiving a General Assembly civic education scholarship.

(f) A student shall receive the General Assembly civic education scholarship even though the student qualifies for no other postsecondary financial assistance from net lottery proceeds or in addition to any other postsecondary financial assistance from net lottery proceeds for which the student qualifies.

SECTION 26. The department of education shall develop the General Assembly civic education scholarship program provided for in this act for implementation and award of scholarships for the 2009-2010 academic year. No scholarships shall be awarded under Section 25 of this act prior to the 2009-2010 academic year.

SECTION 27. Costs incurred by TSAC, THEC and the department of education in administering the General Assembly civic education scholarship, which provides financial assistance to enable citizens of this state to attend postsecondary educational

institutions, shall be funded from the lottery for education account as part of such program.

SECTION 28. Tennessee Code Annotated, Section 49-4-902(10)(C), is amended by deleting the language "four-year" and substituting instead the language "four-year or two-year".

SECTION 29. Tennessee Code Annotated, Title 49, Chapter 4, Part 9, is amended by adding the following language as a new, appropriately designated section:

§ 49-4-9__.

(a) The section shall be known and may be cited as the "Helping Heroes Act of 2008".

(b) As used in this section, unless the context otherwise requires:

(1) "Veteran" means a former member of the armed forces of the United States, or a former member of a reserve or Tennessee national guard unit who was called into active military service of the United States, as defined in § 58-1-102; and

(2) "Successful completion of a course" means that the student received a non-failing grade as the final grade for the course.

(c) To be eligible for a Helping Heroes Grant, a veteran shall:

(1) Have received an honorable discharge;

(2) Have been a Tennessee resident, as defined by regulations promulgated by the board of regents under § 49-8-104, for one (1) year immediately preceding the date of application for a Helping Heroes Grant;

(3) Have been awarded:

(i) The Iraq Campaign Medal;

(ii) The Afghanistan Campaign Medal; or

(iii) On or after September 11, 2001, the Global War on Terrorism Expeditionary Medal;

(4) Not be ineligible for a grant under § 49-4-904;

- (5) Be admitted to and enroll in an eligible postsecondary institution seeking an associate or baccalaureate degree;
- (6) Have not received a baccalaureate degree; and
- (7) Make application for a Helping Heroes Grant for any semester in which the veteran successfully completes six (6) or more semester hours.

(d) A veteran who qualifies for a Helping Heroes Grant under this section shall not be required to meet any academic standard at the time of enrollment in an eligible postsecondary institution to be eligible to receive the grant.

(e) Award of a Helping Heroes Grant shall be made after the completion of a semester. If a student successfully completes twelve (12) or more semester hours, then the student shall receive the full amount of the grant as provided in subsection (f). If a student successfully completes six (6) to eleven (11) semester hours, then the student shall receive one-half ($\frac{1}{2}$) of the full grant. A student successfully completing fewer than six (6) semester hours in a semester shall not be eligible for the grant for that semester, but may subsequently be eligible for the grant in a semester in which the student successfully completes at least six (6) semester hours; provided, that the student meets all other eligibility requirements during that semester.

(f) Subject to the amounts appropriated by the general assembly and any provision of law relating to a shortfall in funds available for postsecondary financial assistance from the net proceeds of the state lottery, a Helping Heroes Grant awarded to a student shall be one thousand dollars (\$1,000) per semester for any semester during the 2008-2009 academic year in which the student successfully completes twelve (12) or more semester hours. For academic years subsequent to the 2008-2009 academic year, the amount of such grant shall be determined in accordance with § 4-51-111 and shall be set in the general appropriations act.

(g) A student may receive a Helping Heroes Grant for a maximum of eight (8) semesters. In calculating the total number of semesters a student may receive a Helping Heroes Grant, semesters for which a student receives a Helping Heroes Grant and in which the student successfully completes six (6) to eleven (11) semester hours shall count as one-half ($\frac{1}{2}$) semester in the total.

(h) A veteran shall be eligible for a Helping Heroes Grant for any semester for which the veteran meets all qualifications for the grant and which commences prior to the eighth anniversary of the veteran's honorable discharge from military service.

(i) A Helping Heroes Grant shall be awarded in addition to any other financial aid for which the recipient veteran qualifies.

(j) Helping Heroes Grants shall not be awarded for any semester prior to fall semester 2008.

(k) Notwithstanding the provisions of § 49-4-903 to the contrary, TSAC shall award Helping Heroes Grants each year on a first come, first served basis for no more than three hundred seventy-five (375) eligible students per year.

(l) The comptroller of the treasury, through the comptroller's office of education accountability, shall review and study the Tennessee Helping Heroes scholarship program to determine the effectiveness of the program in educating veterans. Such study shall be done in the fifth year of the program and every four (4) years thereafter. The comptroller shall report the findings and conclusions of the study to the speakers of the senate and house of representatives and the chairs of the education committees of the senate and the house of representatives.

SECTION 30. Tennessee Code Annotated, Section 49-4-902, is amended by adding the following language as a new, appropriately designated subdivision:

() "Grade points" or "quality points" for a course mean the number of points obtained by multiplying the point value assigned to the grade awarded for the course by the number of semester hours;

SECTION 31. Tennessee Code Annotated, Section 49-4-910, is amended by designating the existing language as subsection (a) and by adding the following language as new subsection (b):

(b) After transferring from one (1) eligible postsecondary institution to another eligible postsecondary institution, a student's cumulative grade point average for purposes of this part shall be calculated using the number of grade points or quality points accumulated and awarded at the institution from which the student transferred plus the number of grade points or quality points accumulated and awarded at the institution to which the student transferred.

SECTION 32. A student may apply for the retroactive award of a Tennessee HOPE scholarship for any semester of the 2007-2008 academic year in which the student would have qualified for a scholarship had the provisions of § 49-4-910(b) been in effect during such academic year. TSAC shall award the scholarship retroactively, if the student meets all applicable requirements for the scholarship.

SECTION 33. Tennessee Code Annotated, Title 49, Chapter 4, Part 9, is amended by adding the following language as a new, appropriately designated section:

§49-4-9__.

Any funds in excess of ten million dollars (\$10,000,000) on July 1, 2008, in the lottery for education account established in § 4-51-111 may be invested pursuant to this section. The state funding board created by § 9-9-101 shall adopt an investment policy for such funds intended to maximize recurring revenues available for the purposes of this act. Such funds may be invested in the state pooled investment fund established by § 9-4-603, the intermediate-term investment fund established by § 9-4-608, the chairs of excellence endowment fund established by § 49-7-501, any securities authorized in § 9-4-602, or in any

securities or classes of securities not specifically authorized in § 9-4-602 which are approved by resolution of the state funding board. All earnings attributable to such investments shall be credited to the lottery for education account.

SECTION 34. Subject to appropriation by the general assembly, it is the legislative intent that ten million dollars (\$10,000,000) from the lottery for education account may be used to supplement student assistance awards each year.

SECTION 35. A student may apply for the retroactive award of a Tennessee HOPE scholarship for any semester of the 2007-2008 academic year in which the student would have qualified for a scholarship under the provisions of § 49-4-934(a)(1) as amended by Section 24 of this act, had the provisions of this act been in effect during such academic year. TSAC shall award the scholarship retroactively for such academic year to any student who would have qualified for the scholarship had the provisions of this act been in effect.

SECTION 36. THEC, in consultation with the department of education, is authorized to promulgate rules and regulations to effectuate the purposes of this act. All such rules and regulations shall be promulgated in accordance with the provisions of Tennessee Code Annotated, Title 4, Chapter 5.

SECTION 37. The provisions of this act shall not be construed to be an appropriation of funds and no funds shall be obligated or expended pursuant to this act unless such funds are specifically appropriated by the general appropriations act.

SECTION 38. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 39. Sections 4 and 23 of this act shall take effect upon becoming law, the public welfare requiring it, and shall apply to students seeking postsecondary financial assistance from net lottery proceeds for the 2008-2009 academic year and academic years thereafter. Sections 7, 8, and 9 shall take effect upon becoming a law,

the public welfare requiring it, and shall apply to students seeking to continue or regain eligibility for Tennessee HOPE scholarships who reach benchmarks for reviewing eligibility pursuant to § 49-4-911 on or after the effective date for Sections 7, 8, and 9. All remaining sections of this act shall take effect upon becoming law, the public welfare requiring it.